

**CITY OF PALM BAY, FLORIDA
MONTHLY FINANCIAL REPORT (UNAUDITED)
APRIL 2016**



The City of Palm Bay, Florida's (the "City") monthly financial report presents an overview and analysis of the City's financial activities during the month of April 2016. April is the seventh month of the fiscal year and represents 58% of the annual budget.

Financial Report Summary

- Citywide revenues of \$105.0 million are at 56% of the annual budget. Citywide expenditures of \$101.3 million are at 54% of the annual budget. Traditionally revenue collections are two months in arrears. For this reason, certain revenues for grants and other governmental resources are accrued at year end to reflect the period in which it represents.
- Citywide cash and investments increased by \$4.7 million, or 7.4%, in comparison to the prior year.
- In October 2015, the City refunded the 2006 Sales Tax Bonds. The 2015 Sales Tax Bond proceeds and its use in the defeasance of the 2006 Bonds are included in FY16 citywide revenues and expenditures in the chart below.

Contents		
❖ General Fund		
YTD Revenues		Page 2
Monthly Revenues		Page 3
YTD Expenditures		Page 4
Monthly Expenditures		Page 5
YTD Budget Comparison		Page 6
Cash & Investments		Page 7
Fund Balance		Page 8
❖ Utilities Fund		
YTD Revenues		Page 9
Monthly Revenues		Page 10
YTD Expenses		Page 11
Cash & Investments		Page 12
❖ Building Fund		
YTD Revenues		Page 13
YTD Expenses		Page 14
Cash & Fund Equity		Page 15

Citywide - Cash & Investments		Citywide - Revenues		Citywide - Expenditures	
4/30/2016	\$ 67,921,806.56	4/30/2016	\$ 105,034,761.69	4/30/2016	\$ 101,331,273.77
4/30/2015	63,224,008.97	4/30/2015	79,170,412.91	4/30/2015	73,690,188.89
Increase	7.4% \$ 4,697,797.59	Increase	32.7% \$ 25,864,348.78	Increase	37.5% \$ 27,641,084.88

- General Fund revenues of \$39.0 million are at 63% of the annual budget. This is an increase of \$2.26 million, or 6.1%, in comparison to the prior year.
- General Fund expenditures of \$35.3 million are at 57% of the annual budget. This is an increase of \$2.62 million, or 8.0%, in comparison to the prior year.
- General Fund cash and investments decreased by \$2.13 million, or 14.7%, in comparison to the prior year.

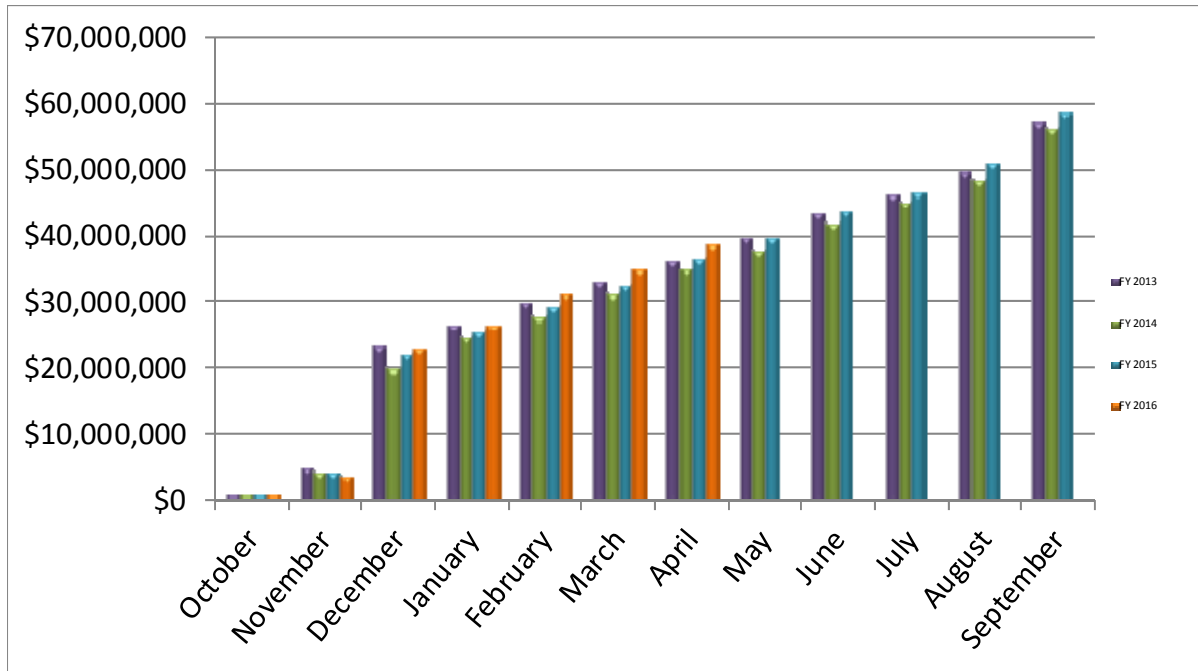
General Fund - Cash & Investments		General Fund - Revenues		General Fund - Expenditures	
4/30/2016	\$ 12,340,761.89	4/30/2016	\$ 38,982,764.32	4/30/2016	\$ 35,294,637.49
4/30/2015	14,470,899.40	4/30/2015	36,726,080.45	4/30/2015	32,673,531.81
Decrease	-14.7% \$ (2,130,137.51)	Increase	6.1% \$ 2,256,683.87	Increase	8.0% \$ 2,621,105.68

The General Fund is the City's primary operating fund and is used to account for all resources except those that are required to be accounted for in another fund. The following information depicts the history of the revenues and expenditures for the General Fund from fiscal years 2013 to 2016.

This report contains unaudited information. If you have any questions or comments on the financial reports, please contact Yvonne McDonald, Finance Director or Ruth Chapman, Assistant Finance Director.

General Fund Revenues – At a Glance April 2016

General Fund Revenues-YTD



FY2016 YTD Change in GF Revenues as Compared to Prior Year

	Prior YTD	Current YTD	Percent Change	Annual Budget
Ad Valorem Taxes	\$ 21,771,440	\$ 22,634,155	4.0%	\$ 24,471,077
Local Option Fuel Tax (1)	1,340,286	1,545,148	15.3%	3,560,238
Utility Service Taxes	3,319,604	3,447,817	3.9%	8,222,000
Communication Service Tax	1,244,451	1,206,798	-3.0%	2,953,575
Franchise Fees	2,025,246	2,015,190	-0.5%	5,390,000
State Shared Revenues (2)	1,401,674	1,586,785	13.2%	3,963,798
Half Cent Sales Tax	2,297,516	2,421,987	5.4%	5,801,620
Licenses and Permits	536,941	552,144	2.8%	580,520
Grants and Other Entitlements (3)	42,128	164,138	289.6%	246,975
Charges for Services	1,431,720	1,557,890	8.8%	2,828,153
Fines and Forfeitures	237,696	246,998	3.9%	536,200
Interest, Rents & Other Revenues (4)	189,367	371,977	96.4%	502,093
Interfund Transfers & Capital Leases (5)	888,013	1,231,738	38.7%	2,090,701
Fund Balance	-	-	0.0%	1,185,465
	\$ 36,726,080	\$ 38,982,764	6.1%	\$ 62,332,415

(1) Increase primarily due to higher year-to-date collection of Local Option Gas Tax.

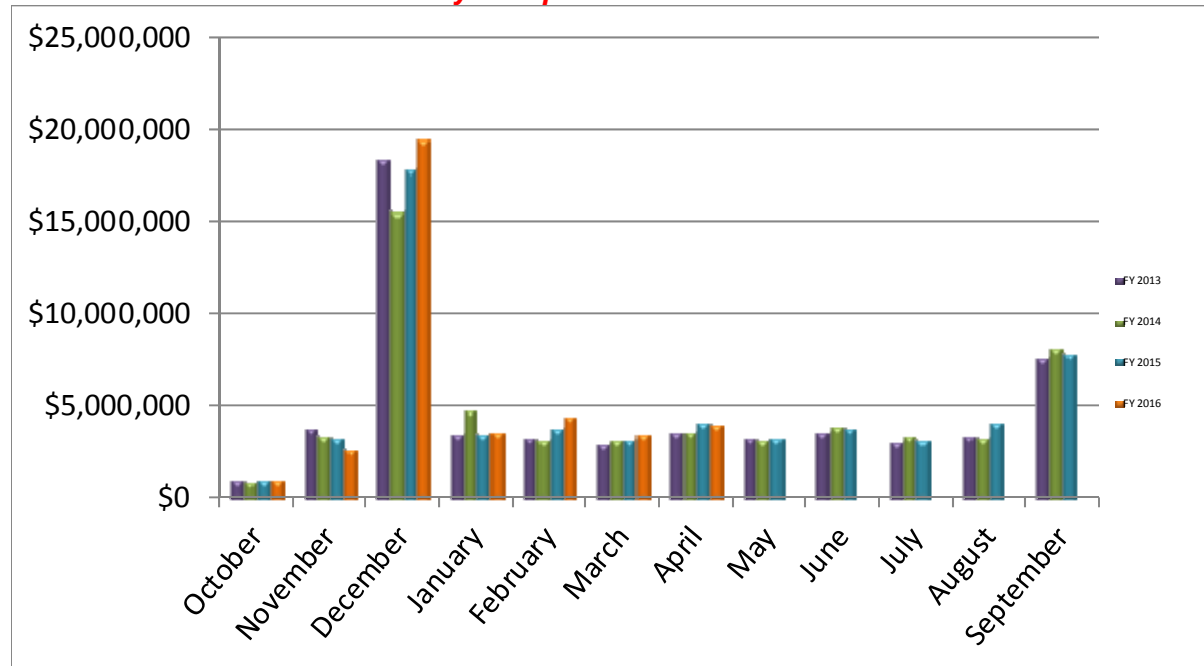
(2) Increase primarily due to higher year-to-date collection of State Shared Revenues.

(3) Increase primarily due to higher year-to-date collection from Brevard County School Board and Department of Justice Grant.

(4) Increase primarily due to property sales and higher year-to-date collection of property lease revenue in FY16.

(5) Increase primarily due to increased budgeted transfer from Employee Benefits Fund in FY16.

General Fund Revenues-Monthly Comparison



Monthly GF Revenues as Compared to Prior Years

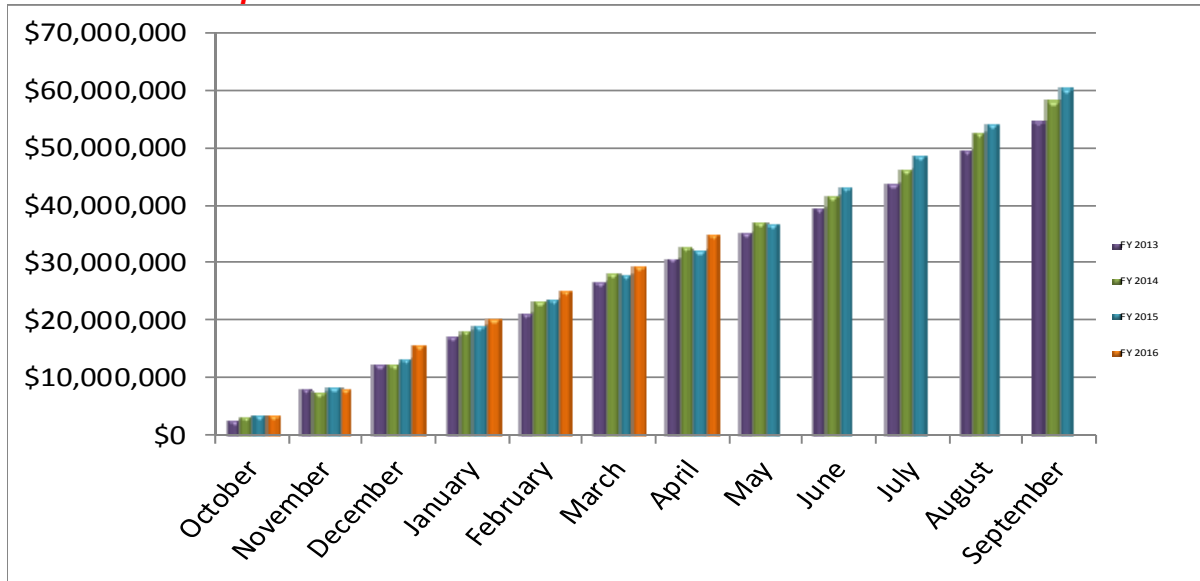
	FY 2013	FY 2014	FY 2015	FY 2016
October	\$ 1,048,437	\$ 911,630	\$ 953,761	\$ 1,012,271
November	3,846,416	3,425,400	3,246,502	2,619,131
December	18,439,244	15,683,359	17,977,402	19,689,226
January	3,531,439	4,802,728	3,458,799	3,639,261
February	3,279,875	3,200,574	3,782,243	4,490,812
March	2,917,572	3,208,482	3,203,645	3,522,695
April	3,616,551	3,651,785	4,103,728	4,009,369
May	3,276,506	3,198,408	3,278,699	
June	3,611,729	3,880,153	3,830,369	
July	3,046,753	3,363,584	3,170,380	
August	3,393,534	3,262,185	4,168,296	
September	7,579,482	8,115,309	7,881,277	
	\$ 57,587,537	\$ 56,703,597	\$ 59,055,101	\$ 38,982,764

Overall General Fund revenues for the month of April 2016 have decreased \$94,359 (2.30%) when compared to April 2015.

The major sources of revenues for the General Fund are taxes, franchise fees, intergovernmental revenues, licenses, permits, fines, forfeitures and charges for services. With a recovering economy and most of the City's revenues derived from ad valorem taxes, the revenue budget is essential for existing and critical City services. The City is conservative in budgeting revenues to account for the current economic condition.

General Fund Expenditures – At a Glance April 2016

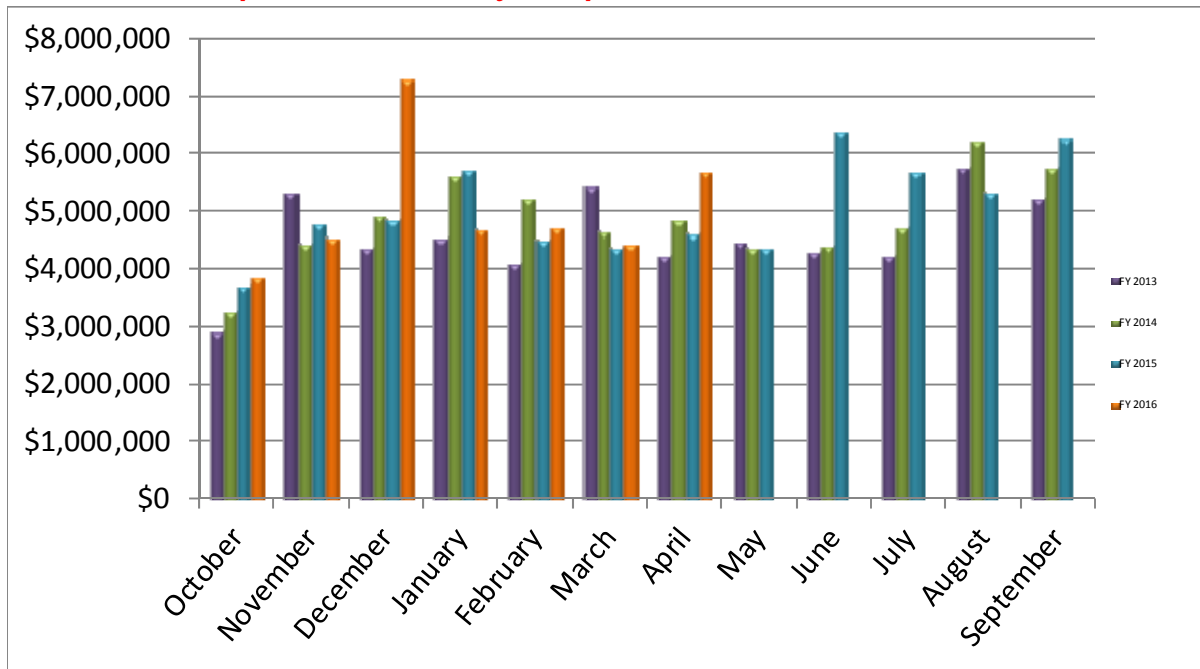
General Fund Expenditures-YTD



	Prior YTD	Current YTD	Percent Change	Annual Budget
Legislative (1)	\$ 340,304	\$ 392,550	15.4%	\$ 665,846
City Manager (2)	524,450	375,804	-28.3%	608,311
City Attorney (3)	527,017	693,754	31.6%	914,698
Finance	891,329	938,570	5.3%	1,703,586
Information Technology (4)	1,124,867	1,401,742	24.6%	2,392,170
Human Resources	262,704	284,221	8.2%	574,970
Growth Management	322,856	297,199	-7.9%	543,398
Economic Development (5)	-	356,080	0.0%	607,451
Parks and Recreation (6)	2,306,664	1,478,053	-35.9%	2,682,764
Facilities (7)	-	1,108,590	0.0%	2,162,754
Police	10,743,992	10,143,177	-5.6%	19,253,043
Fire	7,452,776	7,497,428	0.6%	13,036,654
Public Works	2,532,468	2,563,178	1.2%	4,926,330
Non-Departmental	2,237,566	2,151,568	-3.8%	4,138,053
Transfers (8)	3,406,538	5,612,722	64.8%	8,122,387
	\$ 32,673,532	\$ 35,294,637	8.0%	\$ 62,332,415

- (1) Increase primarily due to increased year-to-date costs for equipment and for health insurance premiums.
- (2) Decrease primarily due to reclass/transfer of Public Information Officer and Economic Development Administrator positions and related operating costs to new department, and elimination of Assistant to the City Manager position.
- (3) Increase primarily due to increased year-to-date costs for Other Attorneys and Other Professional Services.
- (4) Increase primarily due to increased year-to-date costs for network equipment, air cards, and health insurance.
- (5) Increase due to Economic Development Department's first year of existence in FY16. Previously was in City Manager's Office.
- (6) Decrease primarily due to Facilities Division transferred to Facilities Department in FY16.
- (7) Increase due to Facilities Department's first year of existence in FY16. Previously was in Recreation Department.
- (8) Increase primarily due to increased budgeted transfers to Road Maintenance Fund, Debt Service Fund, Fleet Fund and Parks Recreation Facilities Fund.

General Fund Expenditures-Monthly Comparison



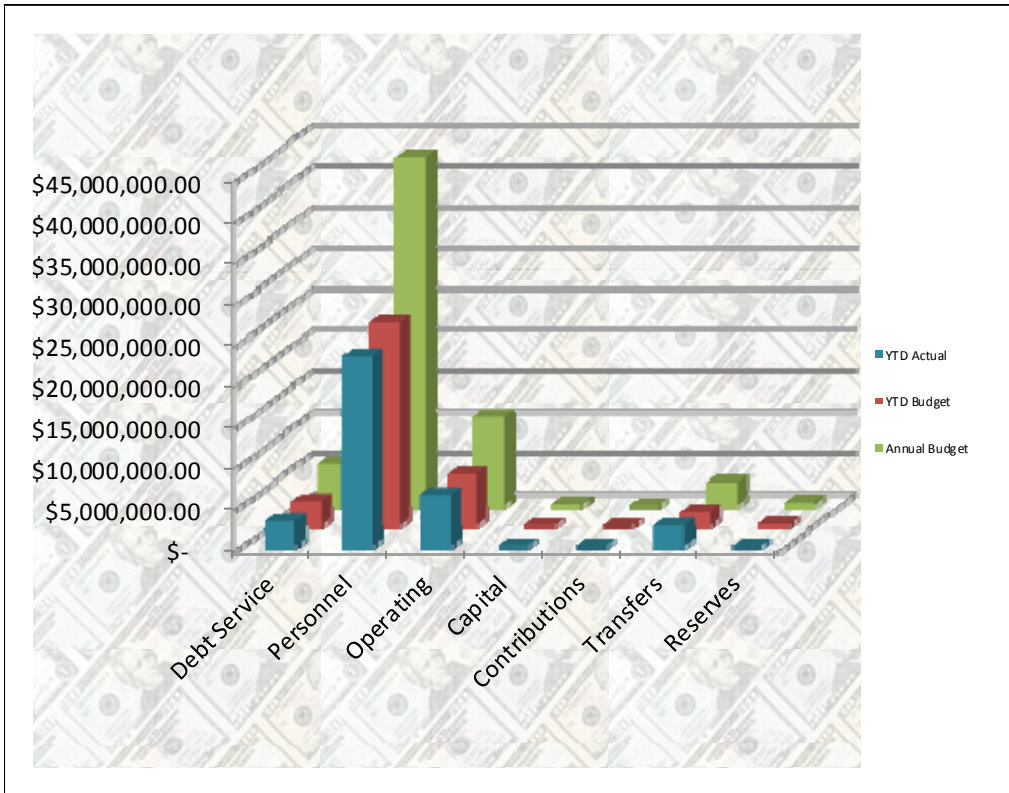
Monthly GF Expenditures as Compared to Prior Years

	FY 2013	FY 2014	FY 2015	FY 2016
October	\$ 2,928,572	\$ 3,279,274	\$ 3,726,416	\$ 3,859,572
November	5,357,915	4,445,312	4,799,117	4,542,401
December	4,385,251	4,931,871	4,886,462	7,323,753
January	4,576,388	5,653,811	5,729,780	4,685,466
February	4,095,023	5,259,394	4,526,492	4,746,328
March	5,452,911	4,666,428	4,375,170	4,443,296
April	4,230,477	4,859,644	4,630,094	5,693,822
May	4,504,552	4,386,401	4,397,032	
June	4,321,706	4,412,580	6,385,679	
July	4,248,739	4,721,680	5,689,908	
August	5,769,101	6,272,362	5,346,802	
September	5,245,884	5,780,329	6,310,427	
	\$ 55,116,519	\$ 58,669,085	\$ 60,803,379	\$ 35,294,637

April General Fund expenditures were \$1,063,727 (22.97%) more when comparing April 2016 to April 2015. Year-to-date expenditures are \$2,621,106 more.

General Fund Expenditures-Budgetary Comparison by Category

	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	<u>% Spent</u>
Debt Service	\$ 3,069,771.43	\$ 3,030,304	\$ 5,194,807	59.09%
Personnel	23,218,664.86	24,847,916	42,596,428	54.51%
Operating	6,316,125.69	6,344,403	10,876,119	58.07%
Capital	132,022.51	149,966	257,084	51.35%
Contributions	15,102.70	21,685	37,175	40.63%
Transfers	2,542,950.30	1,707,755	2,927,580	86.86%
Reserves	-	258,546	443,222	0.00%
Total	\$ 35,294,637.49	\$ 36,360,575	\$ 62,332,415	56.62%



The total budgeted expenditures for 2016 are \$62,332,415 (includes encumbrances from prior year and 2016 budget amendments). Of this amount, \$42,596,428, or 68.3%, is related to personnel costs.

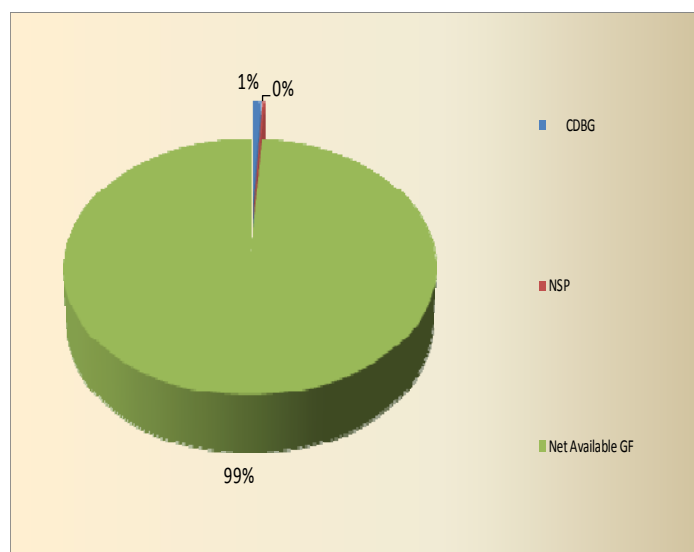
General Fund Cash & Investments – At a Glance April 2016

General Fund Cash & Investments-YTD



General Fund Unrestricted Cash & Investments	
Prior Month Ending Balance	\$ 14,150,586.58
Cash Increase (Decrease)	(1,809,824.69)
Ending Balance 4/30/16	\$ 12,340,761.89

General Fund Available Cash & Investments	
April 2016 Ending Balance	\$ 12,340,761.89
Cash Advanced to Other Funds:	
CDBG	(111,860.82)
NSP	\$ (28,318.40)
Total Available Cash & Investments	\$ 12,200,582.67



General Fund Balance – At a Glance April 2016

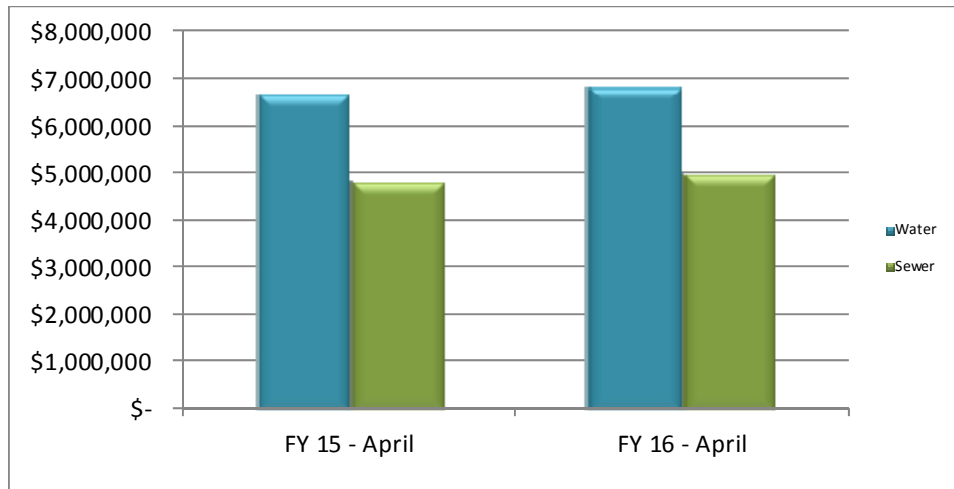
	PRIOR YTD	CURRENT YTD
REVENUES		
Ad Valorem Taxes	\$ 21,771,440	\$ 22,634,155
Local Option Fuel Tax	1,340,286	1,545,148
Utility Service Taxes	3,319,604	3,447,817
Communication Service Tax	1,244,451	1,206,798
Franchise Fees	2,025,246	2,015,190
State Shared Revenues	1,401,674	1,586,785
Half Cent Sales Tax	2,297,516	2,421,987
Licenses and Permits	536,941	552,144
Grants and Other Entitlements	42,128	164,138
Charges for Services	1,431,720	1,557,890
Fines and Forfeitures	237,696	246,998
Interest, Rents and Other Revenues	189,367	371,977
Interfund Transfers and Other Sources	888,013	1,231,738
Total Revenues	36,726,080	38,982,764
EXPENDITURES		
Legislative	340,304	392,550
City Manager	524,450	375,804
City Attorney	527,017	693,754
Finance	891,329	938,570
Information Technology	1,124,867	1,401,742
Human Resources	262,704	284,221
Economic Development	322,856	297,199
Growth Management	-	356,080
Parks and Recreation	2,306,664	1,478,053
Facilities	-	1,108,590
Police	10,743,992	10,143,177
Fire	7,452,776	7,497,428
Public Works	2,532,468	2,563,178
Non-Departmental	2,237,566	2,151,568
Transfers	3,406,538	5,612,722
Total Expenditures	32,673,532	35,294,637
Excess (Deficiency) of Revenues Over Expenditures	4,052,549	3,688,127
Fund Balance - Beginning	10,040,314	8,282,350
Prior Period Adjustment	-	-
Fund Balance - Beginning as Restated	10,040,314	8,282,350
Fund Balance - Ending	\$ 14,092,863	11,970,477

The minimum General Fund balance, as established by Resolution 2011-34, is ten percent (10%) of the subsequent fiscal year's budgeted expenditures less capital outlay and transfers out as originally adopted by ordinance in September. The following is a history of the City's General Fund balance.

General Fund Balance - History			
	Minimum Required	Actual Fund Balance	Fund Balance Percentage
FY 2015	\$ 5,311,438	\$ 8,282,350	15.59%
FY 2014	5,321,416	10,040,314	18.87%
FY 2013	5,059,293	12,005,802	23.73%
FY 2012	4,941,647	9,534,785	19.29%
FY 2011	5,046,518	6,077,849	12.04%
FY 2010	5,223,284	5,790,912	11.09%

Utilities Revenues – At a Glance April 2016

Water & Sewer Revenues-YTD



Overall year-to-date Water revenue in April 2016 has increased \$160,153 (2.38%) when compared to April 2015.

Overall year-to-date Sewer revenue in April 2016 has increased \$189,776 (3.90%) when compared to April 2015.

Fire Protection for FY16 was billed at 100% of the budgeted amount. The majority of the Fire Protection Service Charges were billed in October 2015 (annual billing).

Meter Installation Fees are recorded at 61% of the budgeted amount. The Utility Lien Costs are recorded at 45% of the budgeted amount.

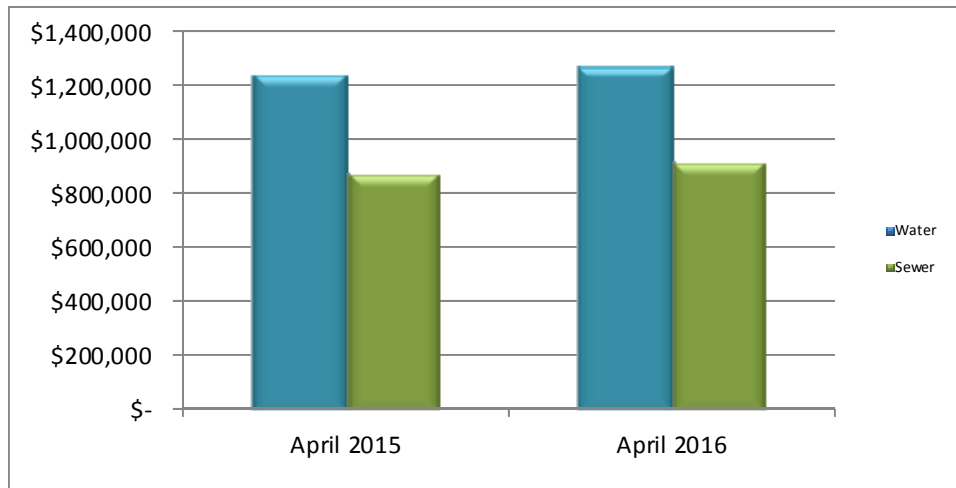
Operating Interest Income is recorded at 30% at this time. The interest for Palm Bay Estates Loan (\$22,491.75) will be recorded in June 2016. The second interest payment on the Fleet Services Loan will be recorded in September 2016 (\$17,053.38).

Excluding Fund Balance, the total FY16 Operating Revenue is recorded at 51.87% of the budgeted amount compared to FY15 which was at 52.08%.

Water Connection Fees are recorded at 71% of the budgeted amount, and Sewer Connection Fees are recorded at 70% of the budgeted amount.

Water MLEs are recorded at 67% of the budgeted amount, and Sewer MLEs are recorded at 67% of the budgeted amount.

Water & Sewer Revenues-Monthly Comparison



Overall Water revenue for the month of April 2016 has increased by \$34,659 (2.77%) when compared to April 2015.

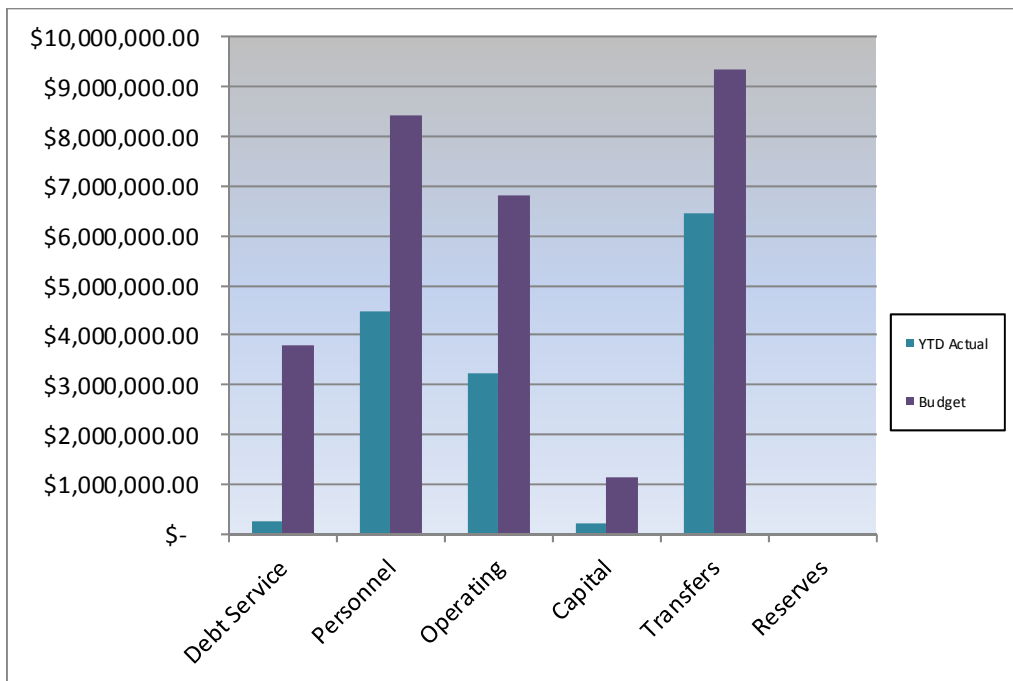
Overall Sewer revenue for the month of April 2016 has increased by \$40,442 (4.58%) when compared to April 2015.

Utilities Expenses – At a Glance April 2016

Water & Sewer Expenditures-YTD

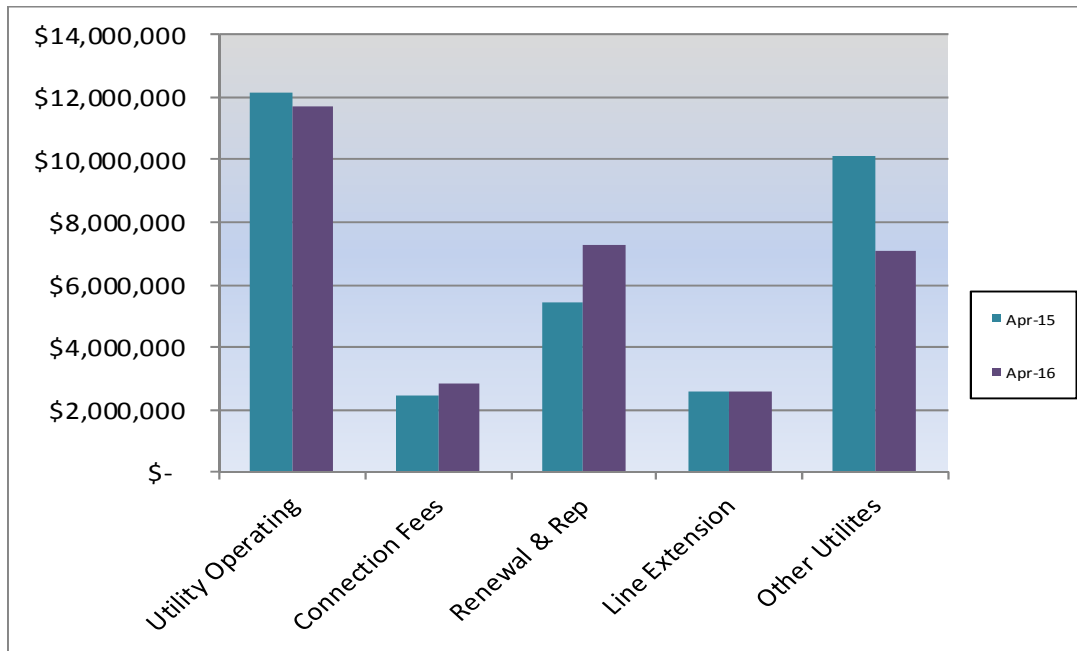
Overall expenditures (excluding encumbrances) are as follows:

	<i>Actual</i>	<i>Budget</i>	<i>% Spent</i>
Debt Service	\$ 253,484.17	\$ 3,801,039	6.67%
Personnel	4,462,328.10	8,412,255	53.05%
Operating	3,226,506.49	6,826,167	47.27%
Capital	201,249.47	1,138,844	17.67%
Transfers	6,454,890.44	9,362,982	68.94%
Reserves	-	-	-
Total	\$ 14,598,458.67	\$ 29,541,287	49.42%



Utilities Cash & Investments – At a Glance April 2016

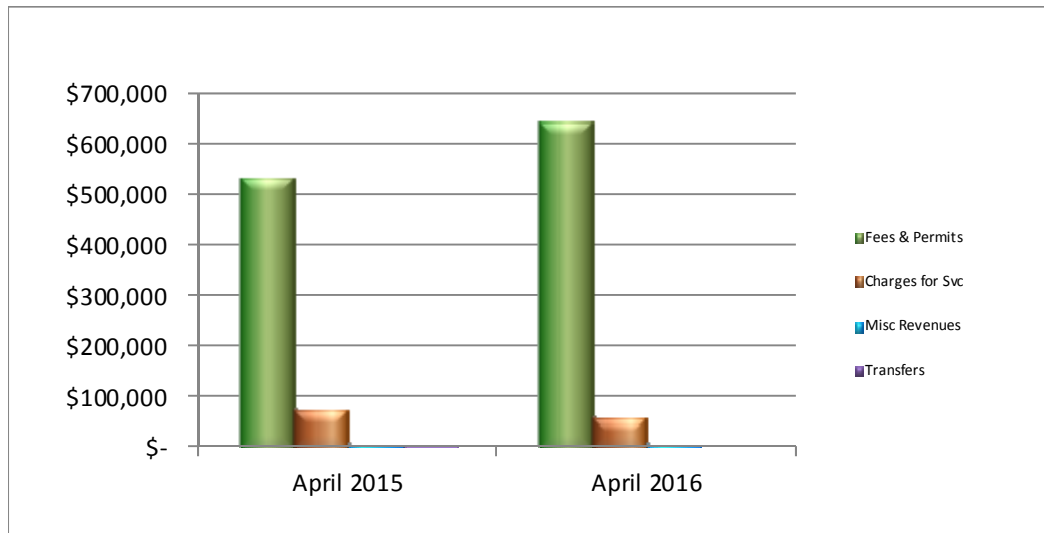
Water & Sewer Cash & Investments-YTD



Overall the Water & Sewer Funds cash and investments were \$1.23 million (3.8%) less as of April 2016 as compared to April 2015.

Building Revenues – At a Glance April 2016

Building Revenues-YTD



Fees and Permits revenue in April 2016 is up \$110,124 (20.36%) from April 2015.

Charges for Services revenue in April 2016 is down \$14,436 (18.88%) from April 2015.

Overall, Building revenues in FY 16 (at April) have increased by \$87,910 (13.85%) when compared to FY 15 (at April).

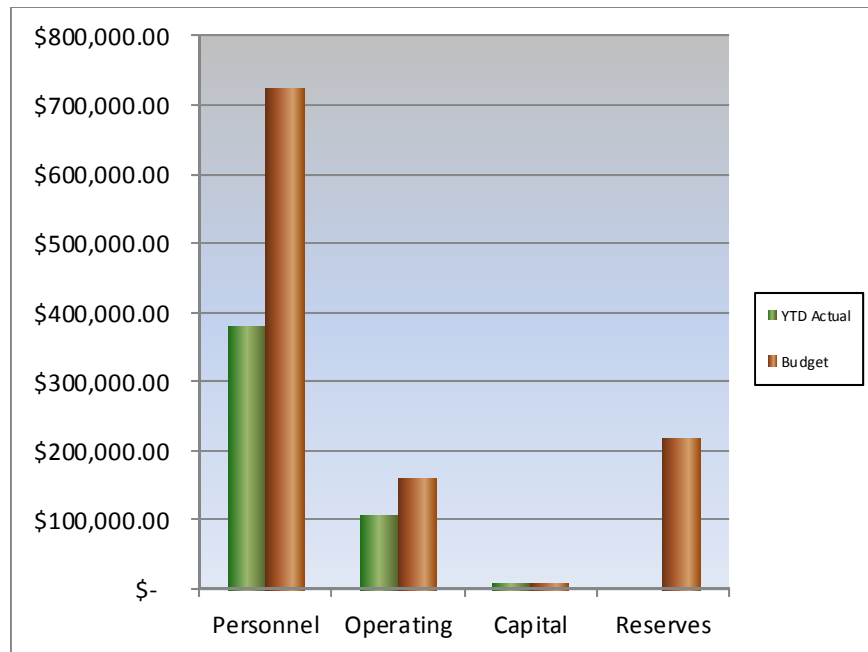
The total FY 16 Building revenues are recorded at 65.0% of the budgeted amount compared to FY 15 which was 59.8%.

Building Expenses – At a Glance April 2016

Building Expenditures-YTD

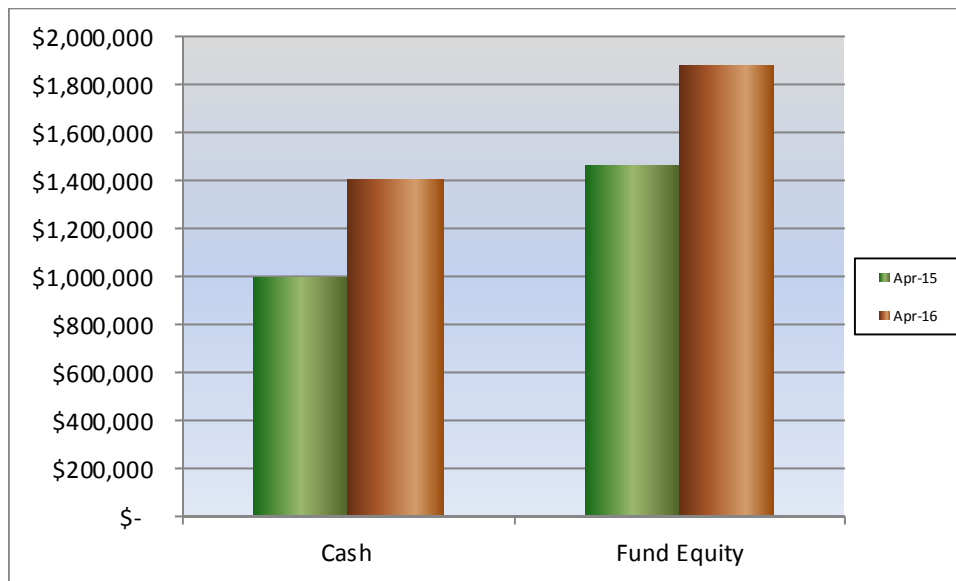
Overall expenditures (excluding encumbrances) are as follows:

	<u>Actual</u>	<u>Budget</u>	<u>% Spent</u>
Personnel	\$ 378,949.71	\$ 723,561	52.37%
Operating	105,813.24	161,941	65.34%
Capital	8,659.66	7,500	115.46%
Reserves	-	219,535	0.00%
Total	<u>\$ 493,422.61</u>	<u>\$ 1,112,537</u>	44.35%



Building Cash & Fund Equity – At a Glance April 2016

Building Cash & Fund Equity-YTD



Overall the Building cash and cash equivalents were \$412,705 (41.5%) more as of April 2016 as compared to April 2015.

Overall the Building fund equity was \$410,777 (28.0%) more as of April 2016 as compared to April 2015.